

AMENDED IN SENATE MAY 31, 2001

AMENDED IN SENATE MAY 17, 2001

AMENDED IN SENATE MAY 16, 2001

SENATE BILL

No. 1082

Introduced by Senator Vasconcellos

February 23, 2001

An act to amend Section 18724 of the Revenue and Taxation Code, relating to taxpayer contributions.

LEGISLATIVE COUNSEL'S DIGEST

SB 1082, as amended, Vasconcellos. Income taxes: designations: senior citizens.

Under the Personal Income Tax Law, taxpayers are allowed until January 1, 2005, to contribute amounts in excess of their tax liability for the support of the California Fund for Senior Citizens. Existing law provides for the repeal of the contribution provisions for these funds on January 1, 2005, or on January 1 of any calendar year that the Franchise Tax Board estimates the minimum contribution amount will be less than a prescribed amount. Existing law specifies that beginning with calendar year 2002, the Franchise Tax Board shall adjust the minimum estimated contribution amount.

This bill would instead require that estimate to be made for taxable years beginning in 2003, and require that adjustment to be made beginning with calendar year 2003.

This bill would state the intent of the Legislature that the California Fund for Senior Citizens be removed from the state income tax forms as a voluntary contribution, upon the making of a ~~continuous~~ General Fund appropriation for the California Senior Legislature.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 18724 of the Revenue and Taxation
2 Code is amended to read:
3 18724. (a) This article shall remain in effect only until
4 January 1, 2005, and as of that date is repealed, unless a later
5 enacted statute, that is enacted before January 1, 2005, deletes that
6 date.
7 (b) If the Franchise Tax Board estimates by September 1 that
8 contributions described in this article made on returns filed in that
9 calendar year will be less than two hundred fifty thousand dollars
10 (\$250,000) for taxable years beginning in 2003, or the adjusted
11 amount specified in subdivision (c) for any subsequent taxable
12 year, as may be applicable, then this article is repealed with respect
13 to taxable years beginning on or after January 1 of that calendar
14 year. The Franchise Tax Board shall estimate the annual
15 contribution amount by September 1 of each year using the actual
16 amounts known to be contributed and an estimate of the remaining
17 year's contributions.
18 (c) For each calendar year, beginning with calendar year 2003,
19 the Franchise Tax Board shall adjust, on or before September 1 of
20 that calendar year, the minimum estimated contribution amount
21 specified in subdivision (b) as follows:
22 (1) The minimum estimated contribution amount for the
23 calendar year shall be an amount equal to the product of the
24 minimum estimated contribution amount for the prior September
25 1 multiplied by the inflation factor adjustment as specified in
26 paragraph (2) of subdivision (h) of Section 17041, rounded off to
27 the nearest dollar.
28 (2) The inflation factor adjustment used for the calendar year
29 shall be based on the figures for the percentage change in the
30 California Consumer Price Index received on or before August 1
31 of the calendar year pursuant to paragraph (1) of subdivision (h)
32 of Section 17041.
33 (d) Notwithstanding the repeal of this article, any contribution
34 amounts designated pursuant to this article prior to its repeal shall

1 continue to be transferred and disbursed in accordance with this
2 article as in effect immediately prior to that repeal.
3 SEC. 2. It is the intent of the Legislature that the State of
4 California support the operating costs of the California Senior
5 Legislature through a ~~continuous~~ General Fund appropriation. It
6 is the further intent of the Legislature that the California Fund for
7 Senior Citizens be removed from the state income tax forms as a
8 voluntary contribution, upon the making of a ~~continuous~~ General
9 Fund appropriation for the California Senior Legislature.

